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July 13, 1998

By Hand

Joel J. Roessner, Esq.
Office of the General Counsel
Federal Election Commission
6th Floor
999 E Street, N.W.
Washington, D.C. 20463

Re:

MURs 4407 and 4544

Dear Mr. Roessner:

Further to our discussion Friday, enclosed on behalf of our client, respondent DNC Services Corporation/Democratic National Committee ("DNC"), is a computer disc containing spreadsheets, prepared and maintained by Bradley K. Marshall, who at all relevant times has served as chief financial officer of the DNC, which spreadsheets relate to certain transfers of funds made by the DNC to state Democratic party committees for the purpose of assisting those committees with the purchase of television time for generic issue advertisements which such party committees chose to run.

As we also discussed, the DNC will suspend its search for and production of documents responsive to the subpoena served on the DNC in the above-referenced MURs, including the categories of documents set forth in section II of my letter to you and others dated July 8, 1998, pending agreement on a process for stipulating to as many material facts as possible. I understand you will be contacting me tomorrow (Tuesday) to begin discussions about that process.

Thank you for your time and attention to these matters.

Sincerely yours,

Joseph E. Sandler

Attorney for Respondents DNC Services

E. S.M

Corporation/Democratic National Committee and

Carol Pensky, as Treasurer